



THE SAVVY CONSUMER COLUMN

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Avoid timeshare troubles

NASHVILLE, TN – Have you received an offer in the mail promising a cheap travel package for a hotel stay or a short cruise? Or, you are on vacation, and are offered a free brunch or show tickets. To get the discounted package or prize, all you have to do is attend a timeshare presentation.

Once you show up to the presentation, you may get more than you bargained for: high-pressure sales tactics that might not deliver what they promise.

Vacation timeshares give you the right to use a vacation home for a limited, planned period throughout the year. The salesperson might suggest that the property is a wise investment, that it yields beneficial tax consequences, or that the company will help with renting it if the consumer is unable to use the property – none of which, typically, is true. Or, the salesperson might offer “special pricing” only if the consumer will buy that day. Once you sign on the dotted line, however, the documents might contradict the verbal promises, and there’s no way to prove what the salesperson told you.

Many consumers love their timeshares, and there are a number of reputable timeshare companies; take the time to research the company soliciting your business before you buy. Also, remember that a timeshare is a binding contract. While you might be excited about using it now and in the next few months, will you feel that way in five or 10 years? More importantly, especially with rising maintenance fees, will you be able to afford it?

In Tennessee, a timeshare purchaser has the right to cancel the sale for 10 days from the date of signing the contract if you made an onsite inspection of the property, and 15 days if there was no inspection. The cancellation notice must be writing.

Scams can also target consumers trying to sell a timeshare. Telemarketers call people throughout the country offering to sell or rent the owners’ timeshares in exchange for an advertising fee. Once the owner gives the telemarketer his or her credit card information, hundreds or thousands of dollars are then charged on that card. The timeshare goes unrented and its owner never again hears from the telemarketer.

Signs that you might be dealing with a timeshare reseller scammer:

- They initiate contact and solicit the consumer.
- They always ask for an upfront or advance fee.
- They come bearing a price that sounds too good to be true (*word of caution: it usually is*).
- They are not using a third-party closing or title company.
- They make “guarantees” that aren’t in writing.

The bottom line: Do your research, and think carefully about whether this is a transaction you truly want. At the point of sale, stand your ground to high-pressure sales tactics, and with resellers, never pay any fee in advance of a sale. Also, never wire money. Wiring money is like sending cash; the scammers get the money quickly and the sender never gets it back.

To file a complaint with the Division of Consumer Affairs, visit <http://tn.gov/consumer/complaint.shtml>.

Consumer Affairs (www.tn.gov/consumer/) is a division of the Department of Commerce and Insurance (www.tn.gov/commerce/), which works to protect consumers while ensuring fair competition for industries and professionals who do business in Tennessee.
